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ATTORNEYS FOR RTKL ASSOCIATES, INC. AND VRATSINAS CONSTRUCTION COMPANY

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

<b>IN RE:</b>  <b>TEXAS RANGERS BASEBALL PARTNERS</b>  <b>Debtor.</b>	§ § § § § §	<b>Chapter 11</b>  <b>Case No. 10-43400-dml11</b>          
<b>RTKL ASSOCIATES, INC. and VRATSINAS CONSTRUCTION COMPANY</b>  <b>Plaintiffs</b> v. <b>TEXAS RANGERS BASEBALL PARTNERS, et al.<sup>1</sup></b>  <b>Defendants.</b>	§ § § § § § § § § §	    <b>Adversary No. 10-04263-dml</b>        

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**STATEMENT PURSUANT TO BANKRUPTCY RULE 9027(e)(3)**

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<sup>1</sup> The defendants are: Texas Rangers Baseball Partners, HSG Partnership Holdings LLC, Hicks Holdings LLC, Hicks Glorypark, LLC, SEG of Ohio, Inc. (d/b/a Steiner + Associates, Inc.), Ballpark Real Estate, LP, SSR GP Interests, LP, SWS Realty, LLC, Arlington Interests, LP, Arlington Devco, LLC, Southwest Sports Realty Partners, LP, Texas Rangers Baseball Partners (in its capacity as post-effective date debtor under the confirmed Fourth Amended Plan of Reorganization, by and through its plan administrator), Rangers Baseball Express LLC and Rangers Baseball LLC.

RTKL Associates, Inc. (“RTKL”) and Vratsinas Construction Company (“VCC” and together with RTKL, the “Plaintiffs”), by and through their counsel, submits this Statement Pursuant to Bankruptcy Rule 9027(e)(3), as follows:

## **I. BACKGROUND**

1. On May 24, 2010 (the “Petition Date”), Texas Rangers Baseball Partners (the “Debtor”) filed a voluntary petition under Chapter 11 of the Bankruptcy Code. On August 5, 2010, the Court confirmed the Debtor’s Fourth Amended Plan [Docket No. 532] (the “Plan”), and on August 12, 2010 (the “Effective Date”), the Plan became effective.

2. The Plan incorporated that certain Asset Purchase Agreement between Texas Rangers Baseball Partners and Rangers Baseball Express LLC and its assignees (“Purchaser”), dated as of May 23, 2010 (as amended from time to time, the “APA”), whereby on the Effective Date the Debtor sold the Purchased Assets (as defined in the APA and comprising substantially all of the Debtor’s assets) to Purchaser, and Purchaser assumed the Assumed Liabilities (as defined in the APA and comprising a substantial portion of the Debtor’s liabilities). The Post Effective Date Debtor<sup>2</sup> emerged from the Chapter 11 with net proceeds of the sale of more than \$268 million.

3. The Plan provides for the satisfaction and payment in full, plus interest, of all claims<sup>3</sup> by either the Purchaser or the Post-Effective Date Debtor depending upon whether each particular claim is or is not an Assumed Liability under the APA. General unsecured liabilities assumed<sup>4</sup> by the Purchaser are treated in Class 7 of the Plan, and general unsecured liabilities not

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<sup>2</sup> ***Post-Effective Date Debtor*** means the Debtor after the Effective Date. *Plan*, pg. 7.

<sup>3</sup> ***Claim*** has the meaning set forth in section 101(5) of the Bankruptcy Code. *Plan*, pg. 2.

<sup>4</sup> ***Assumed General Unsecured Claim*** means a General Unsecured Claim that shall be assumed by the Purchaser under the Asset Purchase Agreement. *Plan*, pg. 1.

assumed by the Purchaser are treated in Class 8 of the Plan and, once Allowed,<sup>5</sup> are to be timely paid by the Plan Administrator from the sale proceeds.<sup>6</sup>

4. On February 1, 2010, RTKL and VCC filed state court litigation (the “State Court Litigation”)<sup>7</sup> asserting claims against the Debtor and others<sup>8</sup> arising out of an aborted real estate development known as “Glorypark.” Glorypark was envisioned as a 75-acre urban town center/multi-use development, which was to be constructed adjacent to the Texas Rangers Ballpark in Arlington, Texas, on the land currently used for surface parking to the south and west of the Ballpark. The State Court Litigation includes the Post Effective Date Debtor and the Purchaser amongst the Defendants. One of the primary causes of action asserted in the State Court Litigation is breach of contract.<sup>9</sup> The State Court Litigation is based upon written agreements entered into with RTKL and VCC.<sup>10</sup>

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<sup>5</sup> **Allowed** means, with reference to any Claim or Equity Interest, (a) any Claim or Equity Interest arising on or before the Effective Date (i) as to which no objection to allowance has been interposed in accordance with Section 8.2 hereof, or (ii) as to which any objection has been determined by a Final Order to the extent such objection is determined in favor of the respective holder, (b) any Claim or Equity Interest as to which the liability of the Debtor and the amount thereof are determined by Final Order of a court of competent jurisdiction other than the Bankruptcy Court or (c) any Claim or Equity Interest expressly allowed hereunder. *Plan*, pg. 1.

<sup>6</sup> Except as otherwise specifically provided herein or in the Asset Purchase Agreement, any distributions and deliveries to be made under the Plan shall be made on the Effective Date or as soon as practicable thereafter once a Claim becomes Allowed. *Plan*, ¶7.1.

<sup>7</sup> *RTKL Associates, Inc. and Vratsinas Construction Company v. Texas Rangers Baseball Partners et al.*, Cause No. DC-10-01163-A in the District Court for the 14th Judicial District, Dallas County, Texas. On November 4, 2010, Purchaser removed the State Court Litigation to this Court in adversary proceeding no. 10-04263 (the “Adversary Proceeding”). RTKL and VCC reserve all rights to contest the removal of the State Court Litigation.

<sup>8</sup> The defendants in the Plaintiffs’ First Amended Petition filed in the State Court Litigation are: Texas Rangers Baseball Partners, HSG Partnership Holdings LLC, Hicks Holdings LLC, Hicks Glorypark, LLC, SEG of Ohio, Inc. (d/b/a Steiner + Associates, Inc.), Ballpark Real Estate, LP, SSR GP Interests, LP, SWS Realty, LLC, Arlington Interests, LP, Arlington DevCo, LLC, Southwest Sports Realty Partners, LP, Texas Rangers Baseball Partners (in its capacity as post-effective date debtor under the confirmed Fourth Amended Plan of Reorganization, by and through its plan administrator), Rangers Baseball Express LLC and Rangers Baseball LLC.

<sup>9</sup> The first cause of action is for breach of contract. *Notice of Removal*, Tab 4, “Original Complaint,” paragraphs 35-37; and Tab 36, “Plaintiffs’ First Amended Petition,” paragraphs 41-44.

<sup>10</sup> *Notice of Removal*, Tab 4, “Original Complaint,” paragraphs 22 and 27; and Tab 36, “Plaintiffs’ First Amended Petition,” paragraphs 25, 29 and 30.

5. RTKL and VCC requested jury trial of all matters in the State Court Litigation and RTKL and VCC reiterate their request for jury trial of this litigation.

6. RTKL and VCC assert that the State Court Litigation is a non-core proceeding asserting, amongst other causes of action, a traditional contract action arising under state law. Other than the Debtor, all other parties to the State Court Litigation are non-debtors. This Court, respectfully, does not have the jurisdiction to render final judgment and issue binding orders in the traditional contract action arising under state law that is one of the primary causes of action in the State Court Litigation. *See, Thomas v. Union Carbide Agric. Prods. Co.*, 473 U.S. 568, 584, 105 S. Ct. 3325, 3334-35, 87 L. Ed. 2d 409, 422 (1985).

7. RTKL and VCC do not consent to entry of final orders or judgment by the Bankruptcy Court and the Bankruptcy Judge.

## **II. CONCLUSION**

WHEREFORE, PREMISES CONSIDERED, RTKL and VCC respectfully request that this adversary proceeding be designated a non-core proceeding, and for such other and further relief to which they may be entitled.

DATED: November 18, 2010

Respectfully submitted,

**K&L GATES LLP**

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**ATTORNEYS FOR RTKL ASSOCIATES, INC.  
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**CERTIFICATE OF SERVICE**

I certify that, on November 18, 2010, the foregoing was served in compliance with BR 9027(e)(3).

/s/ Jeffrey R. Fine  
Jeffrey R. Fine